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RECEIVED
H LaDon Baltimore
2004 JUL 21 PM 2:09
T.R.A. DOCKET ROOM

July 21, 2004

Chairman Pat Miller
c/o Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

RE: Application of Hickory Star Water Company, LLC to Increase Its Rates; TRA docket
No. 04-00044

Dear Sharla:

In compliance with Rule 1220-4-1-.05 of the Rules of the Tennessee Regulatory Authority and Tennessee Code Annotated §65-5-201 pertaining to publication and posting of notice as to hearings in matters involving rate increases, and proof of publication and posting to the Authority, this letter (and 13 copies) of the above applicant's statement that notice of the proposed rate change and hearing has been published in a newspaper of general circulation in the area in which the petitioner offers services to its customers and to whom notice is required. Attached are copies of the notice as published in the Knoxville News-Sentinel newspaper on July 9, 2004 and July 16, 2004.

This letter of publication and posting complies fully with Tennessee Regulatory Authority and the publisher's affidavit Rule 1220-40-1-.05.

Sincerely,



H. LaDon Baltimore
Counsel for Hickory Star Water Company

LDB/dcg
Enclosures
cc. William Geary
F:\DON\Hickory Star Water Company\tra 061104.wpd

To: HICKORY STAR WATER CO.

Advertising) PUBLIC NOTICE
NOTICE IS HEREBY GIVEN THAT HICKORY STAR WATER COMPANY, LLC
("COMPANY" OR "UTILITY") FILED A PETITION AND TARIFF WITH THE
TENNESSEE REGULATORY AUTHORITY ON FEBRUARY 10, 2004, ASKING
THAT IT BE PERMITTED TO CHANGE WATER RATES CURRENTLY...

PUBLISHER'S AFFIDAVIT

State of Tennessee }
County of Knox } **s.s.**

Before me, the undersigned, a Notary Public in and for said county, this day personally came Towana Bowles, who, being first duly sworn, according to law, says that she is a duly authorized representative of The Knoxville News-Sentinel, a Daily newspaper published at Knoxville, in said county and state, and that the advertisement of

(THE ABOVE-REFERENCED),

of which the annexed is a copy, was published in said paper on the following date(s):

07/09/04 : 07/18/04

and that the statement of account herewith is correct to the best of her knowledge, information, and belief.

Iowana Bowles

Subscribed and sworn to before me this 16th day of July, 2004.

Notary Public

My commission expires November 26, 2007

[illegible]

PUBLIC NOTICE

Notice is hereby given that Hickory Star Water Company, LLC ("Company" or "Utility") filed a petition and tariff with the Tennessee Regulatory Authority on February 10, 2004, asking that it be permitted to change water rates currently being charged in the area being service by the Company. The monthly water service rate changes and increases have been proposed because the Utility's existing rate and rate structure do not produce sufficient revenue to permit the Utility to meet its operating expenses. The tap fees have been increased to provide funds for the present and future expansion of the Utility's water system and to produce revenue to permit the Utility to meet its operating expenses.

The hearing for the petition has been set for Friday, July 23, 2004 at 10 00 a.m (CDT) at the Tennessee Regulatory Authority, 460 James Robertson Parkway, Nashville, TN 37243-0505

The proposed rates increase existing rates. Under existing rates, the monthly rates are \$18.38 for a minimum of 2,000 gallons Under the proposed rates, customers will be charged \$36.76 per month. The existing incremental water rates will remain the same. These rate changes will result in an increase of \$18 38 in each customer's monthly rate.

The existing tap fee will increase from \$585 to \$850.

A complete copy of the proposed tariff changes and the reasons for them are on file with the Utility's business office and with the Tennessee Regulatory Authority and are open to public inspection